GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:175
ANSWERED ON:18.02.2009
FOREIGN EXCHANGE RESERVE
Meinya Dr. Thokchom

Will the Minister of FINANCE be pleased to state:

(a)the present Foreign Exchange Reserves in the country;

(b)whether the Union Government is making the optimum utilization of the huge Foreign Exchange Reserves;

(c)if so, the details thereof; and

(d)if not, the reasons therefor ?

Answer

MINISTER OF STATE IN THE MINITRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) The Foreign Exchange Reserves comprising Foreign Currency Assets (FCA),Gold,Special Drawing Rights and Reserve Tranche Position with IMF stood at US $ 248.6 billion as on January 30,2009,of which FCA component was US $ 238.9 billion.

(b) to (d) Keeping in view the guiding objectives of safety,liquidity and optimization of returns under foreign exchange reserve management,Reserve Bank of India (RBI) invests FCA in multi−currency and multi-asset portfolios through investment in securities and deposits with other Central Banks, Bank for International Settlement (BIS),International Monetary Fund (IMF) etc.